

PROJECTS SUB (POLICY AND RESOURCES) COMMITTEE

Wednesday, 27 May 2020

Minutes of the meeting of the Projects Sub (Policy and Resources) Committee held at 11.00 am

Present

Members:

Deputy Keith Bottomley (Chairman)	Andrew McMurtrie
Deputy Jamie Ingham Clark (Deputy Chairman)	Deputy Catherine McGuinness
Rehana Ameer	Benjamin Murphy
Randall Anderson	James de Sausmarez
Sheriff Christopher Hayward	Deputy Philip Woodhouse
Deputy Edward Lord	

In Attendance:

Brian Mooney (Chief Commoner)

Officers:

Rohit Paul	- Town Clerk's Department
Sarah Baker	- Town Clerk's Department
James Aggio-Brewe	- Town Clerk's Department
Richard Holt	- Town Clerk's Department
Sanjay Odedra	- Town Clerk's Department
Chandni Tanna	- Town Clerk's Department
Alistair MacLellan	- Town Clerk's Department
Caroline Al-Beyerty	- Deputy Chamberlain
Michael Harrington	- Chamberlain's Department
Danielle Maalouf	- Chamberlain's Department
Dianne Merrifield	- Chamberlain's Department
Nicholas Richmond-Smith	- Chamberlain's Department
Ola Obadara	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department
Peter Rowe	- City Surveyor's Department
Melanie Charalambous	- Department of the Built Environment
Leah Coburn	- Department of the Built Environment
Gillian Howard	- Department of the Built Environment
Paul Monaghan	- Department of the Built Environment
Andrea Moravicova	- Department of the Built Environment
Neil West	- Department of the Built Environment
Paul Murtagh	- Department of Community and Children's Services
Cornell Farrell	- Barbican Centre/Guildhall School of Music and Drama
Jonathon Poyner	- Barbican Centre/Guildhall School of Music and Drama

1. **APOLOGIES**

Apologies were received from Karina Dostalova.

2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

3. **MINUTES**

RESOLVED, that the public minutes and non-public summary of the meeting held on 16 March 2020 be approved as a correct record subject to James de Sausmarez being marked as present.

4. **COVID UPDATE**

A COVID update was delivered by the Corporate Programme Manager and the following points were made.

- In terms of Built Environment projects, Riney had conducted a risk assessment for socially distanced working arrangements. The City had reallocated monies towards transportation projects that aimed to mitigate COVID-related issues. A potential longer-term implication of COVID was whether there would be a reduction in the level of s278/s106 funded projects being brought forward.
- With regards to works at the Barbican Centre, these were progressing on site where it was safe to do so and social distancing could be maintained. Conversely, the closure of the Centre provided the opportunity to conduct works that had been difficult to deliver during public access.
- City of London Police projects had been affected by the delay in securing project supplies from Asia.
- A portfolio overview report would be provided to Members in June 2020.
- In response to a question, the Corporate Programme Manager noted that RAG reporting of projects would be twin track, encompassing both ordinary project risk that lay within the City's control, and COVID-related project risk. The Corporate Programme Manager undertook to brief Members on the value of affected projects outside of the meeting.

The Director of Property Projects Group delivered a further COVID update and the following points were made.

- Nationally, 80% of major construction projects had resumed up to 75% of capacity. That percentage of major projects was reduced to 60% in the City due to unique challenges around logistics.
- The City would spend the next six weeks assessing the impact of COVID on each of its contractors.

- All contractors were now on site on the City's major projects. They were facing some industry-wide challenges, such as whether COVID should be considered *force majeure* or not. Five separate drafts of site guidelines in recent weeks had also led to some confusion. Some contractors had been forced into making redundancies, and supply shortages were being experienced.
- The City was analysing COVID impact across three main phases: (1) the period 23 March – 11 May (2) period 11 May – August 2020 and (3) where relevant, period August 2020 until the scheduled end of the project.
- The City had undertaken a detailed review of each of the types of contracts across its sites to understand its liability for each.
- Mitigation measures undertaken by the City included reviewing site photos and CCTV to establish project progress and reviewing supply and payments end-to-end to ensure contractors were receiving payment.
- In response to a request, the Director agreed to provide Members with the City's financial analysis of projects affected by COVID.
- A Member expressed concern that the City was not requiring all contractors to possess a performance bond and/or parent company guarantee. The Director agreed to review this position and report back to Members with the number of relevant projects and with a justification of why any performance bonds/parent company guarantees were not in place.

5. **GATEWAY 2 - BARBICAN ART GALLERY CHILLER REPLACEMENT**

Members considered a Gateway 2 report of the Managing Director, Barbican Centre regarding Barbican Art Gallery Chiller Replacement, noting the non-public appendix at Item 18.

RESOLVED, that Members

- Approve a budget of £14,000 to reach Gateway 3/4 (staff costs, consultant fees and surveys).
- Note the estimated cost range of £300,000 (excluding risk).
- Approve a costed risk provision of £4,000 to be drawn down via delegation to Chief Officer.

6. **GATEWAY 3 - BANK JUNCTION IMPROVEMENTS - ALL CHANGE AT BANK**

Members considered a Gateway 3 report of the Director of the Built Environment regarding Bank Junction Improvements – All Change at Bank and the following points were made.

- The Chairman confirmed that options 1, 4 and 5 within the report had been approved by the Streets and Walkways Sub (Planning and Transportation) Committee at its meeting on 26 May 2020.

RESOLVED, that Members,

- Note the additional £4m funding from the City's 2019 Capital bid process.
- Note the total estimated cost of the project of £5m-£5.6m (excluding risk).
- Approve Options 1, 4 and 5 as the closure/restriction options to take forward to Gateway 4.
- Agree the revised budget line amounts set out at Table 1, Section 3 within the report which remain within the existing approved budget allocation of £1,583,457.
- Delegate authority to the Director of the Built Environment to approve budget adjustments above the existing authority within the project procedures and in consultation with the Chamberlain, between budget lines if this is within the approved total project budget amount.

7. GATEWAY 6 - CITY PUBLIC REALM PROJECTS CONSOLIDATED OUTCOME REPORT

Members considered a consolidated Gateway 6 report of the Director of the Built Environment regarding City Public Realm Projects, namely those relating to Fredericks Place, 8-10 Moorgate, 1 Angel Court, 11-19 Monument, Monument Street/Lower Thames Street, Fenchurch Place, and Lime Street/Cullum Street. The following points were made.

- The Director of the Built Environment noted that the projects represented a mix of s278 and s106 projects, including some voluntary s278s such as that at Fenchurch Place, paid for by the Mercers' Company. The employment of Riney for highway works had given the City a high degree of flexibility in delivery of works. There were a number of underspends across the projects, which meant the City would be undertaking more detailed surveys going forward to better inform cost estimates. Underspent s278 monies would be returned to the developer, and s106 monies returned to the City's s106 balance.
- A Member noted that one potential implication of COVID would be less s278/s106 developments going forward, and urged the City to ensure that, if this proved to be the case, to do less improvement projects to the usual high standard, rather than seeking to do a large number of projects that compromised on quality of outcomes.

RESOLVED, that Members

- Approve the closure of Frederick's Place Environmental Enhancements and note the return of remaining funds to the developer.
- Approve the closure of the 8-10 Moorgate Area Improvements project.
- Approve the closure of the 1 Angel Court Area Improvements project.
- Approve the closure of the 11-19 Monument Street Area Improvements project and note the return of remaining funds to the developer.
- Approve the closure of the Monument and Lower Thames Street Junction Public Realm Enhancement Project.
- Approve the closure of the Fenchurch Place project, note the outstanding actions and authorise the return of the underspend to the developer or their successors in title following the finalisation of the account.
- Approve the closure of the Lime Street and Cullum Street Area project.

8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

Impact of Thames Tideway Works on Blackfriars Bridge

In response to a question from a Member on the impact of Thames Tideway works on Blackfriars Bridge, the Director of the Built Environment noted that works to the bridge were being affected by both Thameslink works and Thames Tideway works. Given repainting works to the Bridge were five years overdue, the City was proceeding with tender bids and planned to award the successful tender by the end of the year. The procurement strategy allowed tenderers to work flexibly across a five-year period to allow them to work collaboratively with Thames Tideway, given the Port of London Authority's requirements for limiting span closures. Lastly the City had removed a section of bridge parapet to better understand potential works issues.

9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
Gateway 6 – New Fully Accessible Education and Community Engagement Centre at Tower Bridge

The Chairman noted that the report at Item 17 was now deemed public and therefore would be taken as an item of other business. A copy of the report was available on the City's public committee pages.

RESOLVED, that Members note the lessons learned and approve the closure of the project.

10. **EXCLUSION OF THE PUBLIC**

RESOLVED, that the Sub-Committee move into non-public session and the public streaming of the meeting be discontinued.

11. **NON-PUBLIC MINUTES**
RESOLVED, that the non-public minutes of the meeting held on 16 March 2020 be approved.
12. **GATEWAY 3/4 - BARBICAN EXHIBITION HALLS - ENABLING WORKS**
Members considered a Gateway 3/4 report of the City Surveyor regarding Barbican Exhibition Halls – Enabling Works.
13. **GATEWAY 1-4 - INSTALLATION OF SPRINKLERS IN SOCIAL HOUSING TOWER BLOCKS**
Members considered a combined Gateway 1/2/3/4 report of the Director of Community and Children's Services regarding the installation of sprinklers in social housing tower blocks.
14. **GATEWAY 3/4 - BRIDGE HOUSE ESTATES 30-34 NEW BRIDGE STREET EC4V 6BJ REFURBISHMENT**
Members considered a Gateway 3/4 report of the City Surveyor regarding Bridge House Estates 30-34 New Bridge Street EC4V 6BJ Refurbishment.
15. **GATEWAY 3/4 - REFURBISHMENT OF TOWER CHAMBERS, 74 MOORGATE, EC2 - BRIDGE HOUSE ESTATES**
Members considered an updated Gateway 3/4 report of the City Surveyor in the supplementary agenda pack regarding the refurbishment of Tower Chambers, 74 Moorgate EC2 – Bridge House Estates.
16. **GATEWAY 3/4 - REFURISHMENT OF ELECTRA HOUSE, 84 MOORGATE, EC2 - BRIDGE HOUSE ESTATES**
Members considered an updated Gateway 3/4 report of the City Surveyor in the supplementary agenda pack regarding the refurbishment of Electra House, 84 Moorgate, EC2 – Bridge House Estates.
17. **GATEWAY 6 - NEW FULLY ACCESSIBLE EDUCATION AND COMMUNITY CENTRE AT TOWER BRIDGE**
The Town Clerk noted that this item had been moved on to the public side of the agenda at Item 9 (Any Other Business).
18. **NON-PUBLIC APPENDICES TO BARBICAN ART GALLERY CHILLER REPLACEMENT**
RESOLVED, that the non-public appendix to Item 5 (Gateway 2 Barbican Art Gallery Chiller Replacement) be noted.
19. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There were no questions.
20. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There were two items of urgent business.

The meeting closed at 12.05 pm

Chairman

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